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## Thailand

### Grain and Feed

### Weekly Rice Price Update

**2008**

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**Report Highlights:**

Export prices continued to increase due mainly to the strengthening Thai baht. Exporters are more willing to offer quotes as domestic prices have not been fluctuating as much as in previous weeks. The Government is closely monitoring speculation in the domestic rice market and is considering policy steps should there be an indication of domestic shortages.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Trade Report  
Bangkok [TH1]  
[TH]

**Indicative Prices (Week Ending Feb. 25):**

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	770	-	750	-	740	725	720	741	747
WR 100 B	480	475	475	-	480	495	450	476	471
PB 5%	-	510	-	-	530	535	480	514	480
WR 5%	470	470	470	-	475	480	440	468	463
WR 10%	-	-	-	-	-	-	-	-	-
WR 15%	-	-	-	-	-	-	-	-	-
WR 25%	-	-	-	-	-	-	-	-	-
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	440	-	-	-	435	-	430	435	433
A 1 SPEC	-	-	-	-	-	-	-	-	-
Source: Average actual prices received from exporters, Exchange rate: 32.0 baht/U.S.\$									

**Market Tone**

Export prices continued to increase due mainly to the Thai baht strengthening to 32 baht/\$, as compared to 32.3 in the previous week. Domestic prices were less variable this week. Also, exporters expect the Government to release intervention stocks for domestic and export markets. The Government is closely monitoring unusual speculative demand in the rice market and studying the cost and benefit of implementing measures on rice, including rice stock inspection and minimum export prices if domestic prices exceed the benchmark of 1,400 baht/bag (100 kg.) However, exporters do not expect the Government to implement measures, based on concerns over domestic shortage because a good second-crop harvest is expected to begin soon. Some exporters are offering quotes for low-grade white rice based on anticipated supplies of broken rice from the second-crop harvest. Export prices will likely remain high as many exporters must meet pending obligation once domestic supplies increase. Foreign demand for Thai white rice remains strong due to concerns over the cold-spell and possible rice crop damage in Vietnam. Parboiled rice prices increased significantly as exporters are aggressively filling pending shipments. New-order demand remains strong as the Indian Government still bans non-basmati rice exports.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
JAN 6	81,497	-	81	33	145.0
JAN 13	172,556	-	254	102	149.0
JAN 20	165,968	-	420	190	121.3
JAN 27	169,127	147,287	589	269	118.7
FEB 3	203,162	177,703	792	356	122.5
FEB 10	172,362	177,655	965	427	125.8
FEB 17	188,870	183,380	1,154	540	113.8
FEB 24	170,634	183,757	1,324	631	109.8

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.*

Unofficial exports (excluding fragrant rice) for Feb. 18-24, 2008 totaled 170,634 tons, down 18,236 tons from the previous week, and down 13,124 tons from the four-week moving average of 183,757 tons. Exports during Jan. 1 – Feb. 24, 2008 totaled 1,324,176 tons, as compared with 631,306 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Feb. 7, 2008, amounted to 1,219,670 tons, up 60.8 percent from 758,440 tons in the previous year.

### Weekly Rice Sales

Private registered rice export sales for the period of Feb. 4-8, Feb. 11-15, and Feb. 18-22, 2008 are as follows:

Movement (MT)	Feb. 4-8	Feb. 11-15	Feb. 18-22
Weekly sales	165,151	214,952	168,794
4 week sum	871,175	882,200	723,947
4 week mov. avg.	217,794	220,550	180,984
Total weekly sales	1,058,075	1,273,027	1,441,821

End of Report.